GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1458
ANSWERED ON:09.08.2011
ALLOCATION UNDER PDS
Dubey Shri Nishikant ;Rajaram Shri Wakchaure Bhausaheb

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the details of food subsidy provided on commodities meant for Below Poverty Line (BPL) families and Above Poverty Line (APL) families in the country separately during each of the last two years;

(b) whether the Government proposes to increase the subsidy for BPL families during the current year;

(c) if so, the details thereof;

(d) whether the food subsidy has shown a rising trend over the last five years;

(e) if so, the details thereof and the reasons therefor;

(f) whether the Government proposes to improve foodgrain storage and management to check rise in subsidy; and

(g) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a): The food subsidy released for distribution of subsidized foodgrains to Below Poverty Line (BPL) families including beneficiaries covered under Antyodaya Anna Yojana (AAY) and to Above Poverty Line (APL) families during the last two years is as under:-

(Rs. in crore)

Year	BPL(including AAY)	APL
2009-10	33788	12595
2010-11	34468	15875

(b) & (c): No Madam.

(d): Yes Madam,

(e): The total food subsidy released during the last five years is as under:

Year	Amount (Rs. in crore)
2006-07	23827.59
2007-08	31259.68
2008-09	43668.08
2009-10	58242.45
2010-11	62929.56

The rise in food subsidy is mainly attributable to increase in economic cost of foodgrains on account of increase in Minimum Support Price (MSP) every year whereas Central Issue Prices (CIPs) of subsidized foodgrains have remained unchanged since 2002. There has also been increase in allocation and offtake of foodgrains.

(f) & (g): The steps taken to check rise in the subsidy are as under:-

i) Encouraging decentralised procurement and distribution of Foodgrains.
ii) Issue of bonds by the FCI at lower coupon rates, backed by Government guarantee.
iii) Improving the operational efficiency of the FCI.